

## OFFICE OF THE UNDER SECRETARY OF DEFENSE

## 3000 DEFENSE PENTAGON WASHINGTON, DC 20301-3000

**JUL 0 8 2004** 

DPAP/EB

MEMORANDUM FOR DIRECTORS OF THE DEFENSE AGENCIES
DEPUTY ASSISTANT SECRETARY OF THE ARMY
(POLICY AND PROCUREMENT), ASA(ALT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY
(ACQUISITION MANAGEMENT), ASN(RDA)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING), SAF/AQC
DIRECTOR ADMINISTRATION AND MANAGEMENT
DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY
DEPUTY DIRECTOR FOR LOGISTICS OPERATIONS (DLA)
DIRECTOR, ARMY CONTRACTING AGENCY

SUBJECT: Transition to the Federal Procurement Data System – Next Generation

The Department of Defense (DoD) fully supports the move to the real-time, validated contract reporting environment that will be available with the full implementation of the Federal Procurement Data System – Next Generation (FPDS-NG). FPDS-NG replaces the legacy FPDS with a web-based application, and is a part of the eGov Integrated Acquisition Environment (IAE) initiative. DoD is aggressively working toward ensuring that our contract writing systems are able to successfully transition to the new reporting environment when work on FPDS-NG is finished. However, since there is still programming work on FPDS-NG to be completed and validated, I determine that it is impractical to require full transition to the new reporting environment by our original goal, October 1, 2004. Despite this change in schedule, DoD is committed to implementing direct, machine-to-machine interfaces between our contract writing systems and FPDS-NG as expeditiously as possible, with a revised goal date for the entire Department of February 1, 2005. Everyone's diligence and focus on this important initiative is requested.

DoD is planning a phased-in implementation schedule during FY05, where we transition one contract writing system at a time to the new, machine-to-machine reporting environment. To ensure an orderly transition, we require updated, detailed implementation schedules from each of the Components to address both contract writing systems used by the



Components and plans for any manual contract reporting locations. Each Component should provide their implementation schedule to my action officer, Lisa Romney, 703-614-3883, <a href="mailto:lisa.romney@osd.mil">lisa.romney@osd.mil</a>, by July 26, 2004.

For your planning purposes, DoD will submit FY04 award data to FPDS-NG via frequent data file submissions from the existing Defense Contract Action Data System (DCADS) and feeder system process that use the DD350 and DD1057 forms. From this time forward, the Information Technology Management Directorate (ITMD) (formerly the Directorate for Information Operations and Reports (DIOR)) and those responsible for providing ITMD with contracting data need to be prepared to compile, validate, and provide FY04 data submissions to FPDS-NG on a semi-monthly bases through September 15, 2004, and then more frequently as necessary through the end of the FY04 reporting period. In order to effectively close FY04 reporting, DoD will adhere to the following year-end schedule: (1) submission of FY04 reports to ITMD will be completed not later than October 22, 2004; (2) corrections may be submitted until November 8, 2004; and (3) DUNS number corrections may be submitted until November 19, 2004.

We intend to submit FY05 data via a similar process until each contract writing system completes its transition to the machine-to-machine environment. This approach includes several key requirements: (1) as of October 1, 2004, all FY05 reportable contract actions must be submitted via a DD350; summary reporting DD1057s will not be accepted for FY05 actions; (2) full use of DoDAACs, as required by the Defense Federal Acquisition Regulation Supplement (DFARS), is mandated beginning October 1, 2004; and (3) Components must either program their contract writing systems for very limited FY05 edits (which will be provided from ITMD by July 16, 2004) or must establish another method to collect and report the data required by the FY05 edits to FPDS-NG in conjunction with ITMD. Please note for planning purposes that the Procurement Desktop-Defense (PD2) application will not be programming these FY05 edits, as the development for FPDS-NG machine to machine interface is expected to be delivered to the government in Q1FY05.

As DoD completes this challenging transition to full FPDS-NG implementation, it is essential that everyone is aware of the responsibilities we all share in making this undertaking a success. In the real-time, machine-to-machine reporting environment, inaccurate reporting of contract actions is magnified. Without the historic layers of review, the contracting officer is now the sole individual responsible and accountable for ensuring the accuracy of all socio-economic and other reportable information for each contract action at the time of award. In the FPDS-NG reporting environment, data initially submitted by our contracting professionals is the same data that will be immediately relied upon by Congress, the Office of Management and Budget, the Department, and the Small Business Administration for evaluating DoD contracting and socio-economic performance.

Once FPDS-NG programming and testing is complete, training materials for work in the new reporting environment will be provided. Until then, a computer based training module is available at <a href="http://beta.fpdsng.com/">http://beta.fpdsng.com/</a>, under Award CBT and IDV CBT. Additionally, we are developing a policy case that captures associated policy and process changes, which will be published in the new Policy, Guidelines and Information (PG&I) manual to accompany the DFARS.

The move to FPDS-NG is a dramatic, federal-wide transition, enabling us to more efficiently and effectively manage our activities. I thank you all for your cooperation and support. Again, my action officer for FPDS-NG is Lisa Romney, <a href="lisa.romney@osd.mil">lisa.romney@osd.mil</a>, 703-614-3883. Joyce Allen, <a href="joyce.l.allen@eis.army.mil">joyce.l.allen@eis.army.mil</a>, 703-460-1507, is the Standard Procurement System (SPS) point of contact for the PD2 application. Additionally, please contact your designated DoD FPDS-NG Transition Team representative identified below for specific Component information:

- Army and Other Defense Agencies: Brian Davidson, brian.davidson@hqda.army.mil, 703-681-9781
- Navy: Patricia Coffey, patricia.coffey@navy.mil, 202-685-1279
- Air Force: Kathryn Ekberg, <u>kathryn.ekberg@pentagon.af.mil</u>, 703-588-7033
- Defense Logistics Agency: Judy Lee, judy.lee@dla.mil, 703-767-1376
- Defense Contracts Management Agency: Barbara Roberson, barbara.roberson@dcma.mil, 703-428-0856.

Deidre A. Lee

Director, Defense Procurement and Acquisition Policy